

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 98-328-W/S - ORDER NO. 2001-574

JUNE 13, 2001

IN RE: Application of Kiawah Island Utility, Inc. for)	ORDER SETTING
Approval of an Increase in its Water and)	MATTER FOR ORAL
Sewer Rates and Charges.)	ARGUMENTS

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition for Declaratory Order filed by the Kiawah Property Owners Group, Inc. (KPOG) and the Town of Kiawah (the Town) regarding a management audit first mentioned in concept by us in our Order No. 2000-0401. In that Order which approved a contract between Kiawah Island Utility, Inc. (KIU) and TSG Water Resources, Inc., we also asked that Staff meet with all interested parties to coordinate a management audit of KIU. Staff reports that no agreements were reached as the result of the meeting that was held with representatives of KIU, KPOG and the Town.

Accordingly, KPOG and the Town have filed a Petition for a Declaratory Order, asking this Commission to afford them certain relief in the way of defining the parameters of the proposed management audit, who should bear the cost of the audit and in what proportion, what access to what records should be allowed, and other pertinent issues related to the audit. KIU filed an Answer to the Petition, questioning many of the requests for relief proffered by KPOG and the Town. KIU also raises other defenses, including a question as to whether the Commission has jurisdiction over the matter, the timeliness of the Petition, and other matters.

Accordingly, due to the general disagreement between the KPOG and the Town on one hand, and KIU on the other hand, we believe that oral arguments should be set before this Commission so that the parties can expand upon the assertions made in their original pleadings, and answer any questions that this Commission may have about this proceeding. The Commission Staff shall also be a participant in these arguments, along with the intervenors, if any. The Commission Staff shall set this matter for oral argument at such time as may be just and proper.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:



Executive Director

(SEAL)